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**STATE OF WISCONSIN
DEPARTMENT OF EMPLOYEE TRUST FUNDS
801 West Badger Road
Madison, WI 53702**

CORRESPONDENCE MEMORANDUM

DATE: February 25, 2003

TO: Employee Trust Funds Board
Wisconsin Retirement Board
Teachers Retirement Board

FROM: Vicki Poole, Director of Legislation and Planning
(608) 261-7940

SUBJECT: Legislative Report

The following bills with potential to impact Employee Trust Funds (ETF) operations have been introduced as part of the 2003 legislative session. As these bills are amended and proceed through the legislative process, we will be monitoring changes and keeping Board members updated in terms of any adverse effect on ETF operations or need for Board action. Please don't hesitate to contact me if you have any questions or concerns.

Assembly Bill (AB) 3: *Filling positions.* Prohibits each state agency in the executive branch from filling more than 80% of the total number of full-time equivalent positions that become vacant for that agency during the fiscal year.

Action. Amendments adopted (by the budget review committee) clarifying that for the purpose of this bill, vacant positions are those that remain vacant for more than 90 consecutive days and do not include a position held by an employee who is on military leave. In addition, agencies can submit a proposal to Joint Finance to fill any or all of the full-time equivalent positions.

AB 75: Wisconsin Retirement System (WRS) Protective Status. Classifies employees of the Department of Military Affairs who perform security functions at weapons facilities owned by the state as protective occupation participants under the WRS.

AB 76: WRS Protective Status. Classifies teachers and librarians employed at state correctional institutions, secured correctional facilities, the mental health institutes at Mendota and Winnebago, the Wisconsin Resource Center, or any secure mental health unit or facility for sexually violent persons as protective occupation participants under the WRS.

AB 77: WRS Military Status. Provides that a participating employee in the WRS who terminates covered service on or after the effective date of the bill may receive creditable military service for active military service served at any time and that the participant may receive military service credits under the WRS for service that is used for the purpose of establishing entitlement to a retirement benefit that is paid by the federal government. (These provisions were previously limited to military service performed before 1974.)

Special Session Senate Bill (SB) 1: *Private Employer Health Care Coverage Program (PEHCCP).* Reduces spending for the 2001-03 fiscal biennium by \$1,400 GRP for the PEHCCP.